

# Appendices



# Appendix Intro-1

## VADM Lautenbacher's E-mail to NOAA Employees

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Subject: Your Input is Welcome for the NOAA Program Review

Date: Fri, 01 Feb 2002 18:26:30 -0500

To: All NOAA Employees

From: VADM Conrad C. Lautenbacher Jr., USN (Ret)  
Under Secretary of Commerce for Oceans and Atmosphere

As the new NOAA Administrator, I intend to conduct a review of the overall NOAA organization and programs. The review will be completed in three months. This effort is intended to determine if NOAA is best positioned to accomplish its missions successfully and efficiently now, and in the future. You, the members of the NOAA team, are in a unique position to assess the agency's overall effectiveness and to offer recommendations for potential improvements. I believe that we, internally, working together have the creativity and imagination for dealing with the many challenges of the future.

Issues such as global climate change, ecosystem management, environmental monitoring and prediction, human health and safety, maritime commerce, energy and homeland defense among others will all need our best efforts to provide science-based understanding and forecasting on which to build sound public policy. Clearly as we move forward, it is also important to emphasize organizational efficiency, performance-based management and budgets, and customer service/responsiveness.

With these factors in mind as well as your personal experiences in NOAA, you are encouraged to provide your creative ideas in response to three focused questions. The questions I am asking you to answer are deliberately broad—anything can fit under them. Please remember that this effort is designed to look for “big picture” concepts and solutions (not as an opening for back door budget requests or the office needs a new copier, etc.). The questions are:

- 1) Is the NOAA organization aligned with its current missions and future missions? If not, what are your recommendations for change, near term and/or long term?
- 2) Are there significant imbalances in resources versus requirements? If so, what are your recommendations for change, near term and/or long term?
- 3) Are we being as efficient as possible in meeting our current and future mission tasking? If not, what are your recommendations for change near and/or long term?

Please submit your inputs in the format provided below to facilitate an efficient compilation of all the inputs. Send your suggestions to [Internal.Review@noaa.gov](mailto:Internal.Review@noaa.gov). Information about the review will be available on the web by going to the NOAA Home Page (<http://www.noaa.gov>) and scrolling down to the “Check This Out” section of the Home page where you will find a link to the NOAA Program

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Review. Your suggestions/recommendations will be presented to our Program Review Team, which consists of members from each Line and Staff Office. They will review, debate and make recommendations to NOAA's Executive Leadership Council for final decisions. I plan to provide you with a report of the results of the Review sometime in May.

## Program Review Questions and Response Format

### Question #1

Is the NOAA organization aligned with its current missions and future missions? If not, what are your recommendations for change, near term and/or long term?

Offer your proposed change(s) using the following format:

- Proposed Change Title
- Brief Description of the Change (Major Features)
- Benefits to NOAA/nation; Drawbacks for NOAA/nation  
(Provide bullets for each)

### Question #2

Are there significant imbalances in resources versus requirements? If so, what are your recommendations for change, near term and/or long term?

In answering this question, please offer the following:

- Current requirement
- What is the resource issue/imbalance
- The proposed fix or recommendation

### Question #3

Are we being as efficient as possible in meeting our current and future mission tasking? If not, what are your recommendations for change near and/or long term?

Your response to this question may be in the form of an improved business practice, creative staffing, shifting of programs, consolidation of functions, etc.

Please break your response down into the following:

- Opportunity for increased efficiency (what/where)
- Benefit to NOAA/nation (rationale)

Suggestions/recommendations will remain anonymous. Only the staff that is compiling the responses will see the sources of the inputs. The compilation of the suggestions and recommendations, which will be given to the Program Review team, will only convey concepts, not the origin of proposals.

With only three months to complete the Program Review, we are requesting all responses be submitted within 10 days. All responses are due by February 10, 2002. Please send your inputs to [Internal.Review@noaa.gov](mailto:Internal.Review@noaa.gov).

Thank you in advance for taking the time to contribute to this important effort.

# Appendix Intro-2

## NOAA Program Review Team

### Meeting Agendas

Date	Topic
February 15	PRT start-up process, FAA & NESDIS requirements briefings
March 1	Grants: better, faster, cheaper
March 8	Core mission, NOAA organizational structure
March 15	Science in NOAA
March 22	NOAA support functions: ships/aircraft, IT, Staff Offices
March 28	NOAA infrastructure (e.g. facilities), NOAA requirements process status
April 4	NOAA budget and resource management, matrix management, strategic planning, cross-office integration
April 5	Business management: priority setting, performance measurement, accountability, evaluation
April 1	NOAA Workforce and human capital restructuring plan
April 12	Education and outreach
April 16	Organizational structure
April 18	Requirements process, Review of Recommendations



# Appendix Intro-3

## Summary of the President's Management Agenda

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### NOAA Program Review—Highlights of The President's Management Agenda, August 2001

"Government likes to begin things—to declare grand new programs and causes. But good beginnings are not the measure of success. What matters in the end is completion. Performance. Results. Not just making promises, but making good on promises. In my Administration, that will be the standard from the farthest regional office of government to the highest office in the land."

George W. Bush

### Improving Government Performance

The President's vision for government reform is guided by three principles. Government should be:

- Citizen-centered, not bureaucracy-centered
- Results-oriented
- Market-based, actively promoting rather than stifling innovation through competition

The Agenda includes five government-wide and nine agency-specific goals. None of the agency-specific goals apply to NOAA. The five government-wide goals are:

1. Strategic Management of Human Capital
2. Competitive Sourcing
3. Improved Financial Performance
4. Expanded Electronic Government
5. Budget and Performance Integration

## A Coherent and Coordinated Plan

The five government-wide goals are mutually reinforcing. For example,

- Workforce planning and restructuring undertaken as part of *Strategic Management of Human Capital* will be defined in terms of each agency's mission, goals, and objectives—a key element of *Budget and Performance Integration*.
- Agency restructuring is expected to incorporate organizational and staffing changes resulting from *Competitive Sourcing and Expanded E-government*.
- Likewise, efforts toward *Budget and Performance Integration* will reflect improved program performance and savings achieved from *Competitive Sourcing* and will benefit from financial and cost accounting and information systems which are part of efforts in *Improved Financial Management*.

## Freedom to Manage

The Administration will sponsor a three-part Freedom to Manage initiative to clear statutory impediments to efficient management:

- *Statutory cleanup*. As part of the 2003 budget process, OMB asked departments and agencies to identify statutory impediments to good management. Agencies are reviewing government-wide statutory provisions which, if repealed, would remove barriers to efficient management.
- *Fast-track authority*. Administration will propose legislation to establish a procedure under which heads of departments and agencies could identify structural barriers imposed by law, and Congress would quickly and decisively consider and act to remove those obstacles.
- *Managerial flexibility and authority*. OMB will package affirmative legislation comprising proposals to free managers in areas such as personnel, budgeting, and property disposal.

## A Shared Responsibility

The Congressional practice of “earmarking” special projects in appropriations bills has exploded—growing more than six-fold in the last four years. Excessive earmarks lead to wasteful spending and hogtie executive decision-making, making it more difficult for agencies to fund higher priorities and accomplish larger goals as needed funds are diverted.

## The Expected Long-term Results

- hierarchical, “command and control” bureaucracies will become flatter and more responsive
  - emphasis on process will be replaced by a focus on results
  - organizations burdened with overlapping functions, inefficiencies, and turf battles will function more harmoniously
  - agencies will strengthen and make the most of the knowledge, skills, and abilities of their people; in order to meet the needs and expectations of their ultimate clients—the American people.
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## A Manageable Government

The most difficult, but most important, job of a good leader is to ask tough questions about the institution: Is this program needed? Is it a wise use of the organization's finite resources? Could those resources be used better elsewhere? We need to:

- *Shift the burden of proof*—It is time that program proponents bear the burden of proof to demonstrate that the programs they advocate actually accomplish their goals, and do so better than alternative ways of spending the same money.
- *Focus on the “base” not the “increment”*—We need to reverse the presumption that this year's funding level is the starting point for considering next year's funding level.
- *Focus on results*—A mere desire to address a problem is not a sufficient justification for spending the public's money. Performance-based budgeting would mean that money would be allocated not just on the basis of perceived needs, but also on the basis of what is actually being accomplished.
- *Impose consequences*—We should identify mismanaged, wasteful or duplicative government programs, with an eye to cutting their funding, redesigning them, or eliminating them altogether.
- *Demand evidence*—Many agencies and programs lack rigorous data or evaluations to show that they work. Such evidence should be a prerequisite to continued funding.

## Government-wide Initiatives

### 1. Strategic Management of Human Capital

“Tie pay increases to results. With a system of rewards and accountability, we can promote a culture of achievement throughout the Federal Government.”

George W. Bush

### The Problem

- Even as the workforce shrinks, the number of layers of hierarchy continues to increase, especially near the top. The paradoxical result: a workforce with steadily increasing numbers of supervisors and steadily declining accountability.
- In most agencies, human resources planning is weak. Without proper planning, the skill mix of the federal workforce will not reflect tomorrow's changing missions.
- In February 2001, GAO added human capital management to the government-wide “high-risk list” of federal activities.

## The Initiative

- Each agency has been asked to prepare a five-year restructuring plan as part of its 2003 budget request.
- Each agency will identify how it will reduce the number of managers, reduce the number of organizational layers, reduce the time it takes to make decisions, change the span of control, and increase the number of employees who provide services to citizens.
- Adopt information technology systems to capture some of the knowledge and skills of retiring employees.
- The Administration will assess agencies' use of existing authorities as well as the outcomes achieved under demonstration projects.

## The Expected Near-term Results

- Human capital strategies will be linked to organizational mission, vision, core values, goals, and objectives.
- Agencies will use strategic workforce planning and flexible tools to recruit, retrain, and reward employees and develop a high-performing workforce.
- Agencies will determine their "core competencies" and decide whether to build internal capacity, or contract for services from the private sector. This will maximize agencies' flexibility in getting the job done effectively and efficiently.
- The statutory framework will be in place to make it easier to attract and retain the right people, in the right places, at the right time.

## The Expected Long-term Results

- Improved service and performance and citizen satisfaction will increase.
- Build, sustain, and effectively deploy a skilled, knowledgeable, diverse, and high-performing workforce
- Workforce will adapt quickly in size, composition, and competencies to accommodate changes in mission, technology, and labor markets.
- Employee satisfaction will increase.

## 2. Competitive Sourcing

“Government should be market-based—we should not be afraid of competition, innovation, and choice.”

George W. Bush

### The Problem

- Nearly half of all federal employees perform tasks that are readily available in the commercial marketplace.
- Detailed estimates of the full cost of government performance to the taxpayer have to be calculated.

### The Initiatives

- Simplifying and improving the procedures for evaluating public and private sources, to better publicizing the activities subject to competition, and to ensuring senior level agency attention to the promotion of competition.
- Agencies are developing specific performance plans to meet the 2002 goal of completing public-private or direct conversion competition on not less than five percent of the full-time equivalent employees listed on the FAIR Act inventories. The performance target will increase by 10 percent in 2003.

### The Expected Results

- Recent competitions under OMB Circular A-76 have resulted in savings of more than 20 percent for work that stays in-house and more than 30 percent for work outsourced to the private sector.
- Competition promotes innovation, efficiency, and greater effectiveness.
- By focusing on desired results and outcomes, the objective becomes identifying the most efficient means to accomplish the task.

### 3. Improved Financial Performance

“Without accountability, how can we ever expect results?”

George W. Bush

#### The Problem

- Without accurate and timely financial information, it is not possible to accomplish the President’s agenda to secure the best performance and highest measure of accountability for the American people.

#### The Initiative

- The Administration will first establish a baseline of the extent of erroneous payments.
- To ensure that federal financial systems produce accurate and timely information to support operating, budget, and policy decisions, OMB will work with agencies to:
  - Improve timeliness by:
    - re-engineering reporting processes and expanding use of web-based technologies
    - instituting quarterly financial statements
    - accelerating end-of-year reporting
  - Enhance usefulness by:
    - requiring comparative financial reporting
    - reporting specific financial performance measurements
    - integrating financial and performance information
  - Ensure reliability by obtaining and sustaining clean audit opinions for:
    - components of agencies
    - agencies
    - the government as a whole
  - We will make changes to the budget process that will allow us to better measure the real cost and performance of programs.

#### The Expected Results

- Improved accountability to the American people through audited financial reports.
    - Financial systems that routinely produce information that is:
  - timely, to measure and effect performance immediately
  - useful, to make more informed operational and investing decisions
  - reliable, to ensure consistent and comparable trend analysis over time and to facilitate better performance measurement and decision making.
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## 4. Expanded Electronic Government

“I will expand the use of the Internet to empower citizens, allowing them to request customized information from Washington when they need it, not just when Washington wants to give it to them. True reform involves not just giving people information, but giving citizens the freedom to act upon it.”

George W. Bush

### The Problem

- In general, agencies do not evaluate their IT systems by standards relevant to the work the agency is supposed to do.
- Just as private-sector companies in the 1980s tended to use computers merely as souped-up typewriters and calculators, so government agencies in the 1990s have used IT to automate pre-existing processes rather than create new and more efficient solutions.
- IT offers opportunities to break down obsolete bureaucratic divisions. Unfortunately, agencies often perceive this opportunity as a threat and instead make wasteful and redundant investments in order to preserve chains of command that lost their purpose years ago. Financial systems are often automated separately from procurement systems, which are in turn carefully segregated from human resources systems, significantly increasing costs and minimizing potential savings.

### The Initiatives

The Administration will advance E-government strategy by supporting projects that offer performance gains across agency boundaries, such as e-procurement, e-grants, e-regulation, and e-signatures. A task force of agency personnel in coordination with OMB and the President's Management Council will identify E-government projects that can deliver significant productivity and performance gains across government. The task force will work to:

- Create easy-to-find single points of access to government services for individuals
- Reduce the reporting burden on businesses
- Share information more quickly and conveniently between the federal and state, local, and tribal governments
- Automate internal processes to reduce costs internally, within the federal government, by disseminating best practices across agencies

The Administration will also improve the federal government's use of the Web.

- It will expand and improve the FirstGov (*www.FirstGov.gov*) web site to offer citizens a convenient entry to government services.
- Agencies will undertake a Federal Public Key Infrastructure (PKI) to promote digital signatures for transactions within the federal government, between government and businesses and between government and citizens.
- By the end of 2002, all agencies will use a single e-procurement portal, *www.FedBizOps.gov*, to provide access to notices of solicitations over \$25,000.
- Agencies will allow applicants for federal grants to apply for and ultimately manage grant funds online through a common web site, simplifying grant management and eliminating redundancies in the same way as the single procurement portal will simplify purchasing.

## The Expected Results

The e-procurement and grant-management portals will make transactions with the government—or obtaining financial assistance from the government—easier, cheaper, quicker and more comprehensible. And putting the federal regulatory process on-line will offer citizens easier access to some of the most important policy decisions: better informing the citizenry and holding government more effectively to account.

By improving information-technology management, simplifying business processes, and unifying information flows across lines of business agencies will:

- provide high quality customer service regardless of whether the citizen contacts the agency by phone, in person, or on the Web
- reduce the expense and difficulty of doing business with the government
- cut government operating costs
- provide citizens with readier access to government services
- increase access for persons with disabilities to agency web sites and E-government applications
- make government more transparent and accountable

## 5. Budget and Performance Integration

“There comes a time when every program must be judged either a success or a failure. Where we find success, we should repeat it, share it, and make it the standard. And where find failure, we must call by its name.”

George W. Bush

### The Problem

- Everyone agrees that scarce federal resources should be allocated to programs and managers that deliver results. There is little reward, in budgets or in compensation, for running programs efficiently. And once money is allocated to a program, there is no requirement to revisit the question of whether the results obtained are solving problems the American people care about.
- Agency performance measures tend to be ill defined and not properly integrated into agency budget submissions and the management and operation of agencies. Performance measures are insufficiently used to monitor and reward staff, or to hold program managers accountable.
- The American people should be able to see how government programs are performing and compare performance and cost across programs. The lack of a consistent information and reporting framework for performance, budgeting, and accounting obscures this necessary transparency.

### The Initiative

- The Administration plans to formally integrate performance review with budget decisions. This integration is designed to begin to produce performance-based budgets starting with the 2003 Budget submission.
- Over time, agencies will be expected to identify high quality outcome measures, accurately monitor the performance of programs, and begin integrating this presentation with associated cost. Using this information, high performing programs will be reinforced and non-performing activities reformed or terminated.
- Ultimately, the Administration will attempt to integrate more completely information about costs and programs performance in a single oversight process.

### The Expected Near-term Results

- Starting in 2003, the President’s Budget will shift budgetary resources among programs devoted to similar goals to emphasize those that are more effective.

- In the 2003 Budget, the Administration will set performance targets for selected programs along with funding levels.
- In the 2003 Budget, agencies and programs will budget for the full costs of retirement and health care programs that are currently budgeted centrally.
- The 2003 Budget will present to the American people the objectives the Administration seeks to achieve in the coming year and provide better information on the linkage between objectives and the matching cost.

## **The Expected Long-term Results**

- Better performance
- Better control over resources used and accountability for results by program managers
- Better service as a result of more competition based on full costing of resources used by working capital funds and other support service providers
- Standard, integrated budgeting, performance, and accounting information systems
- Eventual integration of existing segregated and burdensome paperwork requirements for measuring the government's performance and competitive practices with budget reporting



# Appendix Intro-4

## Program Examples for Question #2

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### **Question 2: Are there significant imbalances in resources versus requirements? If so, what are your recommendations for change, near term and/or long term?**

NOAA employees and the PRT identified several specific examples where there are significant imbalances in resources versus requirements:

#### **Hydrographic Surveys**

NOAA is required by law to chart the 3.4 million square nautical miles of the U.S. Exclusive Economic Zone. Nearly 500,000 square nautical miles of that area are considered to be navigationally significant due to the greatest threat of natural and man-made hazards to marine navigation. Given our limited ability to address this huge responsibility, NOAA prioritized 43,000 square nautical miles as the most critical to survey because of high commercial traffic volumes, oil or hazardous material transport, and other criteria. NOAA has achieved a measurable reduction in the critical area backlog, but, at the present rate, the remaining navigationally significant waters will take 300 years to complete. To meet its mandated responsibility, NOAA must increase hydrographic data acquisition. A recurring investment of \$90 million would enable NOAA to eliminate the remaining 29,500 square nautical miles of critical area backlog in approximately six years, as well as place the 500,000 square nautical miles of navigationally significant U.S. waters on a manageable, fifty-year survey cycle.

#### **Fisheries Management Needs**

The Secretary of Commerce has responsibility for the management of the Nation's living marine resources, yet for over 40% of the principle stocks, there is little or no data to index abundance of stocks and manage for sustainable economic use. The commercial and recreational fisheries of the U.S. contribute \$52 billion in gross national product. The Kammer Report, ["An Independent Assessment of the Resource Requirements for the National Marine Fisheries Service," June 2000, page vii, Executive Summary], identified a funding imbalance of \$186 million vs. needs (e.g., \$100M for stock assessments) and highlighted other issues associated with excessive layers in decision making.

Examples of known resource imbalances based on the Stock Assessment Improvement Plan and Data Acquisition Plan include:

- Regulatory streamlining process to reduce litigation (-\$54M)

- Enforcement (-\$25M to cover the Magnuson Act, Marine Mammal Protection Act, Endangered Species Act, Sanctuaries, Treaties and State Cooperative Enforcement Agreements)
- Cooperative Research, Vessel Charters, and Observers Program (-\$105M)
- Bycatch and new technologies (-\$50M)
- Protected Species Assessment (-\$25M)

Even fulfilling the needs above would not fully address the data and information required to move to an ecosystem based management approach. Fully developing a research platform dedicated exclusively to living marine resources (replacing aging NOAA vessels) to compliment charter surveys is another known unmet need (-\$200M).

### **Maritime Transportation System**

NOAA provides the military, commercial and public users of the U.S. Marine Transportation System with valuable nautical charting and hydrographic services to navigate safely in U.S. waters. NOAA charts are also required by law on all self-propelled vessels greater than 1,600 gross tons. To satisfy the increasingly sophisticated and technological demands of mariners, NOAA must continue to modernize its navigation products. However, most of this mandated mission is undercapitalized. NOAA's Ocean Service has determined that an increase of \$20 million to the Mapping and Charting program would enable NOAA to collect and disseminate more accurate and timely navigation tools such as full coverage Electronic Navigational Charts and oceanographic forecast models. These tools help the mariner use limited channel depths more effectively and contribute substantially to a safe, efficient, profitable and environmentally responsible waterways system.

### **Facilities, Safety and Compliance**

For the most part, NOAA has placed a lower priority on basic facilities and safety investments in the annual budget process. Failure to invest in such things as facility maintenance, upgrade and/or replacement, ship and aircraft mid-life rehabilitation and systems upgrades, compliance with facility access laws, security, and information management technologies has put much of this infrastructure at risk of failure. The FY 2004 Infrastructure initiative has identified 60 high priority infrastructure needs totaling over \$176M, for which only \$10M is available for potential support in the FY 2004 budget process. The list includes upgrades and repairs to several office, laboratory, and operations facilities. It also includes ships that are, in some cases, nearly 40 years old, and have never had mid-life upgrades to improve data collection capacity and capability. Regulatory and safety upgrades to NOAA research aircraft have been identified as well. There are a number of information technology initiatives on the list that should have already been implemented as good business practice. In the aftermath of the events on September 11, 2002, several security initiatives are on the list but stand little chance of being funded.

NOAA needs to place a priority on these investments in the future and make a strong case to the Administration and the Congress that continued deferral of these items will have significant impact on NOAA's ability to deliver a number of its basic and critical services. In addition to the examples above, the PRT recognized that NOAA may not be able to identify all cases where there are imbalances in resources, simply because specific requirements have not been developed. For this reason, the PRT strongly recommends the enhancement of the existing NOAA requirements process to tighten the linkage between program needs and available resources.

# Appendix Intro-5

## Minority and Additional Opinions

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### Additional Opinion regarding Figure 3.1

#### NOS Opinion

I opposed the organization alternative that would result in a new Oceans, Coasts and Fisheries line office. I believe this option would create an organization that is too large relative to the diversity of its mission to be managed effectively.

Features of desirable organizational change include adaptability and responsiveness. Creating a structure that appears monolithic on the outside, but in reality comprises widely divergent missions and mandates (e.g., conservation vs. resource management) results in neither.

NOAA Ocean Service has been compared to a holding company. Adding to it the mandates and responsibilities of NOAA Fisheries would create a larger, unwieldy holding company with too large a business portfolio to achieve real management efficiencies. Given the wide variation of fisheries and coastal ocean programs, the span of control demanded of the Assistant Administrator of such a line office would be too broad to allow any substantial layering of management. Policy issues that descend from complex and sometimes conflicting mandates would not be alleviated under the proposed structure because their origins lie outside NOAA (a point noted by employee input).

Complex program portfolios demand a smaller, not larger, quantum of executive management control than may best suit organizations with a more focused mission.

## Minority Opinion Regarding Recommendation #29

### **Recommendation #29: Transfer the responsibility for the Coastal Ocean Program from NOS to OAR**

#### **NMFS Minority Opinion**

NMFS objects to the Program Review Team (PRT) decision to move the Coastal Ocean Program (COP) from NOS to OAR. There was not much supporting rationale for this, other than two AA's agreed as part of a larger effort to move all NOS research to OAR, and that OAR already has extramural (or academic) research programs. This rationale ignores the fact that NMFS also funds academic research and (more importantly) it ignores the programmatic relationship of many of the COP activities (GLOBEC and ECOHAB, for example) that are closely tied to the NMFS mission and other NMFS activities. Moving the COP to OAR again (like with the Coastal Ocean Theme argument) does little if anything to improve the program and does nothing to address employee concerns over who's mission is who's. The PRT decision was based on the fact that OAR conducts research and has ties to the academic community when conducting research. The PRT ignored the fact that the exact same criteria used to propose the move to OAR applies equally to NMFS and that COP could be moved to NMFS. In addition, and more compelling, for COP to be in NMFS as opposed to OAR is the fact that NMFS has from the beginning of the program and prior been involved with the academic community with its scientists in conducting joint research (e.g. GLOBEC). The GLOBEC program has a long NMFS/NAS/NSF history. Academic researchers work on NMFS research cruises as part of GLOBEC and other programs. There are other programmatic relationships to the COP and the NMFS mission and none to OAR's, other than supporting academic research, which NMFS does equally as well. Putting COP in NMFS could strengthen the program by providing it with a direct relationship to NOAA mission requirements and help address employee concerns over line organization responsibilities.

## Minority Opinion Regarding Recommendation #30

**Recommendation #30: The PRT recommends that congressional liaison activities, including the respective roles and relationships of the NOAA Office of Legislative Affairs and the NOAA Office of Finance and Administration, be brought to the NOAA Executive Council for further resolution.**

### OFA Minority Opinion

A minority opinion is respectfully submitted with regard to the discussion concerning legislative affairs activities in NOAA. This discussion was held in the absence of a representative of the Office of Finance and Administration (OFA), and we believe that due to the nature of the topic, OFA input would have been valuable to the debate, and essential for an informed recommendation. Hence this submission, which is submitted in order to put the discussion into a better context for NOAA Executive Council decision makers.

### Recommendation:

I believe that the most efficient and effective model for dealing with the Congressional Appropriations staff is the existing process. That is, where "The Office of the Chief Financial Officer (CFO)/Office of Budget has primary liaison jurisdiction (lead) for contacts with the Chairmen and Ranking Members of both the full Appropriation Committees and the CJS Subcommittees. All other Members fall under the purview of the Director of the Office of Legislative Affairs. In addition,...the professional staff (Majority and Minority) of the CJS Subcommittees, who are under the liaison jurisdiction of the CFO." This model was discussed and codified with the current leadership as per the attached memo, dated September 10, 2001.

The current model is the most appropriate and effective way to do business with the Appropriations Committee staff for three main reasons: 1) the type of questions and interests of the Committee staff are budget driven; 2) the current model underscores and supports NOAA's goal of representing the budget with "one voice;" and, 3) the Congressional Appropriations staff of the Commerce-Justice-State (CJS) Subcommittees (our customers) have historically, at their own request, dealt with agencies through the Comptroller or Chief Financial Officer divisions.

**Fact number one: The type of questions and interests of the Committee staff are budget driven.**

The overwhelming majority of the Appropriation Committee staff interests and concerns lie with understanding the NOAA budget submission, its program increases, and technical budget issues—like the calculation of adjustments-to-base, and the relationship of program increases to base programs. The NOAA Office of Budget is clearly the best equipped to answer questions of this nature. By dealing directly with the NOAA Budget Office, the Committee staff get technical questions answered in real time, and can talk one-on-one with the budget experts.

To illustrate the workload involved in supporting the Appropriation's committees, in the period January-April 2002, the Congressional staffers submitted over 250 written questions regarding the NOAA Budget submission, phoned in approximately 400 quick turnaround questions that were answered verbally the same day, and conducted over 87 individual budget and program briefings to better understand NOAA's resource requirements. In 2001, between February 2001 and February 2002, the NOAA Budget Office responded to over 1,000 requests for information, the vast majority of which came from the Congressional Appropriations staffers (4-6 individuals). In addition, there are currently 38 mandated

Congressional Reports from the Appropriations bill language, that the Budget Office is coordinating, that also involve considerable internal staff work, and that interface with both the House and Senate Majority staff. This workload could not easily be transferred to another office, and the obvious question would be, why should it? In the first place, Legislative Affairs is not currently staffed to directly handle this workload. Further, if Legislative Affairs is to be the primary interface with the Appropriation committees, with the NOAA Budget Office subsequently tasked by Legislative Affairs, this initiates a change which does not improve communications but rather adds another layer of staff between the Committees and NOAA's technical experts.

**Fact number two: The current model underscores and supports NOAA's goal of representing the budget with "one voice."**

NOAA has not always operated with "one voice" and Congressional activities have been made extremely difficult because of the constant reconciliation of inconsistencies that must take place. The current Committee staff have only recently turned the corner and begun to trust in and come to NOAA headquarters staff on a regular basis. Coordinating and funneling the Appropriations staff questions on the budget through the NOAA Budget Office has helped considerably with respect to responding with "one NOAA voice." Regardless of who is the direct interface with the staffers, the NOAA Budget Office would still be required by the Committees to ensure that the responses are verified with the existing and *official* budgetary data and control tables housed in the NOAA Budget Office. We have raised that expectation and have made a lot of progress in that area. Therefore, changing the direct interface would have the effect of adding still more bureaucracy to the already cumbersome process of getting information out to the Congressional staff. In terms of current performance, the NOAA Office of Budget has now established a process that has maintained NOAA's average turn-around time at approximately four to five business days, down from as much as 45 business days only a year and a half ago. Anything that adds time to our response turnaround should be examined very carefully.

**Fact number three: The Congressional Appropriations staff of the Commerce-Justice-State (CJS) Subcommittees (our customers) have historically, at their own request, dealt with agencies through the Comptroller or Chief Financial Officer divisions.**

Over the years, the Appropriation Committee staff has made it very clear that they prefer to deal with non-partisan staff. Their environment is saturated by position papers and political interests. What they need is more bottom-line, objective data with which to make solid, sensible and defensible decisions. They view the provision of that kind of data as being the responsibility of a Departmental or Bureau CFO.

Our CJS Subcommittees, in particular, have historically dealt exclusively with career staff when it concerns budgetary requests for resources. The Subcommittee staff want quick, accurate, objective answers to their day-to-day requests for budgetary clarifications. This is the traditional culture of our Committees, and while we can request that the customers change their culture, the question remains "why?" This is also consistent with the way the Administration has staffed the Appropriation subcommittees for most bureaus, and certainly across the other Departments that fall under the CJS Subcommittees' jurisdiction (i.e., the Departments of Justice and State).

Finally, there is no indication that this change was ever vetted with the primary customers concerned: the Appropriation Committee staff. Over the past three years, the NOAA Budget Office has been building a rapport with the Appropriators—one in which the NOAA Budget Office staff are frequently thanked and complimented for the quality and timeliness of the service and information that is provided. The continuously growing expertise of the NOAA budget staff is also evidenced by the increase in questions directed to the budget staff from these committees. Trust and confidence in the reliability of sources are two attributes that are not easy to establish with Appropriations staff. I would think that if NOAA is considering a change in this area, that this be taken into consideration. It is very difficult to

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build up a staff's expertise, and simultaneously gain the trust and confidence of the Committee staff. This change could reverse three years of very hard work that has made significant progress and posted real accomplishments for NOAA in terms of relationships as well as the receipt of additional appropriations.

## Conclusion

If the basic issue is actually "lack of coordination" between Legislative Affairs and the NOAA Budget staff, then it is whole-heartedly agreed that we should strengthen that coordination. The NOAA Budget Office has, in fact, initiated a variety of meaningful steps to do just that. There are numerous activities that already take place that are designed to better "close the loop" between headquarters staffs. For example, the Budget Office participates in Legislative Affairs' weekly staff meetings. The Budget Office sends weekly reports to Legislative Affairs on all dealings with Appropriation staff, and conducts periodic briefings for Legislative Affairs staff to help them understand more fully the annual NOAA budget request. The NOAA Budget Office also works with Legislative Affairs to coordinate site visits and hill briefings in one centralized list known as the "Green Sheet," which is published several times a week by Legislative Affairs. In addition, the NOAA Office of Budget provides a great deal of budget and appropriations information and input to the Legislative Affairs staff in order to help them better serve the staff of the Congressional authorizing committees for which they are responsible. However, currently, there are no similar weekly reports or periodic briefings from Legislative Affairs to the NOAA Budget Office summarizing authorization issues. In the past there was a regular exchange of information—it flowed both ways. This is a process that should be reexamined and perhaps reestablished.

It is my strong recommendation that NOAA should continue to build upon that which has been working well, and is being steadily refined and improved (e.g., the Budget Office database contract is already looking forward to a module that will include a full-text library of responses to Congressional inquiries), versus moving in other directions that could prove to be less effective and would certainly waste assets that we already have. Internal bickering and lack of coordination could be and should be resolved and strengthened by implementing and enforcing appropriate policies, procedures and standard business rules, but most of all—leadership. If a true "requirements analysis" and/or "business case analysis" were to be done on this problem, it is unlikely that the change from current procedures that has been proposed could be supported from either a workload or a cost benefit perspective.

## Attachment 1, Minority Opinion Regarding Recommendation #30

Memorandum For: Distribution [dated and distributed September 10, 2001]

FROM: Jolene A. Lauria Sullens  
Deputy Chief Financial Officer/Director of Budget

SUBJECT: Contact with Congressional Members and Staff

As a follow on to the memorandum from the Acting Under Secretary for Oceans and Atmosphere, subject: Congressional Activities, dated July 27, 2001, the Office of Budget has prepared the attached list of Congressional Members and key Congressional staff whose inquiries are most likely to pertain to appropriation and budget issues. This list is composed of the Members of the House and Senate Appropriation Committees, and the Members of the Commerce, Justice, State (CJS) Appropriation Subcommittees of the House and Senate. The Office of the Chief Financial Officer (CFO)/Office of Budget has primary liaison jurisdiction (lead) for contacts with the Chairmen and Ranking Members of both the full Appropriation Committees and the CJS Subcommittees. All other Members fall under the purview of the Director of the Office of Legislative Affairs. In addition, listed are the professional staff (Majority and Minority) of the CJS Subcommittees, who are under the liaison jurisdiction of the CFO. Please note, however, that despite our delineation of responsibilities, any Member or Congressional staffer might call with appropriation or budgetary questions, and those answers require review and clearance by the CFO/Office of Budget.

It is important that NOAA present a unified message consistent with the President's budget request. Therefore, the NOAA Office of Budget is designated as the central point to coordinate and prepare responses to inquiries on appropriation and budgetary issues. This will assist in ensuring that NOAA's responses are accurate, consistent, and reflect a NOAA-wide viewpoint. In addition, the NOAA Office of Budget has been given the job of tracking and recording all such inquiries in order to ensure that NOAA's responses are timely, as well as accurate, and also to be certain that no inquiry goes unanswered.

In addition to the responses to inquiries, the NOAA Office of Budget is responsible for arranging and attending all budget-related discussions with the listed Chairmen and Ranking Members, committees and associated staff. The Office of Budget prepares, coordinates clearance, and transmits the testimony for NOAA's Appropriation hearings, and reviews and edits the transcripts of those hearings. To assist us in these efforts, please provide the Office of Budget with advance copies of slides and talking points for other budget discussions (at least twenty-four hours in advance), so that they can be reviewed for consistency and accuracy of budget data. If advance copies of materials or notification of meetings and conversations are not practicable, courtesy copies of all communications within a relevant time frame are still required.

Again, inquiries from the designated Members and staff on the attached list should be referred to the NOAA Office of Budget. If there is any question about the disposition of a Congressional inquiry, please call Jim Carter, Chief, Budget Outreach and Communication, on (202) 482-2277.

### Attachments [Not included in PRT Report]

Distribution: DAA's  
CFO/M&B's  
cc: Scott Gudes  
Sonya Stewart



## **Minority Opinion regarding Recommendation #45:**

### **Option 2: NOAA should contract out all administrative services, consistent with restrictions imposed by existing law.**

Option 2 was not supported by representatives of OMAO, NWS, OFA and the PRT Chair.

## **NWS Minority Opinion**

### **Contracting Out All Administrative Services**

1. There are problems with the administrative services provided in NOAA, but a complete overhaul is not the answer, nor will it address some of the issues.
2. The main problems in HR are the OPM regulations, some poorly trained staff and ASC HR Directors that do not report to NOAA HR Director. NOAA HR does provide good services to some LO's and provide quite good advice to senior management.
3. We detect few problems in the area of acquisition; recent dispersion of staff working directly with LO's has helped.
4. Budget & Finance are separate issues that will be addressed elsewhere in the report.
5. NWS has led, with the support of a few ASCs, in the area of facilities. There are still many problems, some in OFA but many external to NOAA.
6. Progress has been made in several areas due to a lot of effort that we would not want to see start over with contractors. Those areas that are performing well should be allowed to continue to improve, areas of weakness could be considered for outsourcing.

